11/22/82 LA7980 - 14

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 3 No. 9 October 1982

Current Economic Developments in New Mexico

On the whole, recent economic statistics indicate a continued general decline in national economic activity. Despite the preliminary Commerce Department report of a 1.5 percent annual growth rate in real GNP during the third quarter of this year, many economists are reluctant to proclaim that an economic recovery has begun. This is largely due to the recent continued increases in unemployment, declines in industrial production and retail sales, and sluggish activity with respect to housing starts. The nation's unemployment rate rose to 10.1 percent in September, the highest jobless rate since 1941. In addition, industrial production declined once again in August, while retail sales declined 0.9 percent during the same month despite the recent federal income tax cut which went into effect on July 1 of this year. Also, housing starts have continued to remain at around a 1 million-unit annual rate during the summer months which is far below levels recorded in recent years.

In contrast, the recent general decline in interest rates represents a positive development in the midst of primarily negative economic reports. The Federal Reserve Board's decision to lower the discount rate from 11 percent to 9.5 percent in recent weeks has largely been responsible for the decline in interest rates as exhibited by the steady drop in the prime rate at most major banks which fell to 12 percent in early October, the lowest rate in more than two years. Many economists foresee further modest declines in interest rates in the coming months.

In New Mexico, the effects of the national recession continue to be reflected in the most recent state economic statistics. The civilian labor force grew at a seasonally adjusted (SA) annual rate of 4.4 percent in August; however, total employment in the state increased by only 0.5 percent (SA) above the previous year's level. Consequently, total unemployment in New Mexico increased to 63,100 persons (SA) which resulted in a 10.6 percent (SA) unemployment rate in August. The state's hard-hit mining industry continues to be primarily responsible for the slowdown in aggregate statewide economic activity. Miners experienced additional layoffs in August due to reduced activity in the copper and uranium mines in the state.

With respect to other sectors of the state economy, the number of manufacturing jobs increased slightly from July to August, but still stood at a level which was 4.3 percent (SA) below the figure for the previous year. Although historically high mortgage interest rates over the past year and a half have reduced housing activity, August data show a departure from the recent pattern of general declines in residential construction activity. Residential building permits rose 28.9 percent (SA) on an annual basis in August, while the value of residential construction contracts recorded an annual increase of 14.7 percent (SA) during the same month. In the large trade and services sectors, the general moderation in inflationary pressures in conjunction with recent state and federal income tax cuts has had a beneficial impact on real disposable income growth in the state which has subsequently contributed to continued modest employment growth in recent months. The August data show an annual increase of 3.3 percent (SA) in the number of retail trade jobs, with a yearly gain of 1.7 percent recorded in the wholesale trade subsector. Employment in the services sector rose 2.0 percent (SA) above the level in August 1981. State and federal government employment levels in New Mexico declined on a yearly basis in August in keeping with the pattern established earlier this year. On the other hand, local government employment registered an annual increase of 4.7 percent in August.

Commercial bank demand and time deposits continued to grow at strong annual rates in August, while new bank loans recorded an 8.0 percent (SA) annual increase. New savings received at thrift institutions in the state showed a yearly gain of 10.4 percent in August.

In summary, economic activity in New Mexico has been slowed in recent months by the effects of the national economic recession. This has been most evident in the state's mining, manufacturing and construction sectors. Acting to partially offset these weaknesses in the New Mexico economy has been the continued modest growth registered in the state's trade and services sectors. In the coming months, the recent declines in interest rates should produce stronger economic growth in the state, with the strongest impact being felt in the housing and manufacturing sectors. Continued moderation in the inflation rate together with the benefit emanating from the recent federal income tax cut should also contribute to stronger growth via stronger consumer spending. Finally, the short-term outlook in New Mexico is made more favorable due to previously announced plans by various manufacturing firms which have recently constructed plants in the Albuquerque area that they will begin to significantly increase their work forces later this year and in 1983.

Leo W. Carbajal

Bureau of Business and Economic Research, Institute for Applied Research Services
The University of New Mexico, Albuquerque, NM 87131
(505) 277-2216

ECONOMIC INDICATORS

	QUARTERLY AVERAGES			
	1981		1982	
	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER
1. GENERAL				
CIVILIAN LABOR FORCE** (000)	580.3	578.4	571.3	580.7
SEASONALLY ADJUSTED*	573.3	576.8	583.6	577.1
TOTAL EMPLOYMENT** (000)	540.3	536.9	527.5	528.4
SEASONALLY ADJUSTED*	532.5	534.6	541.1	525.3
UNEMPLOYMENT** (000)	40.0	41.5	43.8	52.3
SEASONALLY ADJUSTED*	40.8	42.2	42.6	51.8
UNEMPLOYMENT RATE (%)	7.2	7.0	7.7	9.0
SEASONALLY ADJUSTED*	7.1	7.3	7.3	9.0
WEEKLY NEW UNEMPLOYMENT INSURANCE CLAIMS	1317.3	1437.7	1860.0	1779.3
SEASONALLY ADJUSTED*	1418.0	1408.9	1707.4	1868.4
NONAGRICULTURAL WAGE/SALARY EMPLOYMENT*** (000)	477.8	475.3	471.6	475.0
SEASONALLY ADJUSTED*	474.0	473.3	479.9	472.8
NEW BUSINESS INCORPORATIONS	214.3	224.0	197.3	N
BUSINESS FAILURE LIABILITIES ($000)	N	N	N	N
2. AGRICULTURAL RECEIPTS				
FROM LIVESTOCK AND PRODUCTS ($MIL.)	32.2	61.4	40.1	44.4
SEASONALLY ADJUSTED*	43.3	60.2	48.7	51.1
FROM CROPS ($MIL.)	24.8	47.6	17.1	16.6
SEASONALLY ADJUSTED*	27.9	25.7	26.0	26.4
3. MINING PRODUCTION				
PETROLEUM (000 BBLS.)	5927.1	6026.5	5857.1	5927.6
NATURAL GAS (BIL. CU. FT.)	88.3	96.1	97.2	80.2
SEASONALLY ADJUSTED*	91.3	93.0	95.6	81.5
COPPER ORE (000 TONS)	14.0	14.2	11.4	4.3
COAL PRODUCTION (000 SHORT TONS)	1436.3	1397.0	1534.3	1651.0
4. CONSTRUCTION				
RESIDENTIAL BUILDING PERMITS ($MIL.)	13.8	9.5	12.3	15.1
SEASONALLY ADJUSTED*	12.3	10.6	12.8	15.0
RESIDENTIAL CONSTRUCTION CONTRACTS ($MIL.)	33.3	22.3	26.9	29.4
SEASONALLY ADJUSTED*	29.2	23.8	28.8	29.5
NONRESIDENTIAL CONSTRUCTION CONTRACTS ($MIL.)	34.9	28.3	39.5	54.6
NONBUILDING CONSTRUCTION CONTRACTS ($MIL.)	33.1	134.7	24.9	20.0
5. MANUFACTURING				
EMPLOYMENT*** (000)	34.4	33.4	33.2	33.0
SEASONALLY ADJUSTED*	34.2	33.1	33.6	33.1
AVERAGE WEEKLY HOURS	38.7	39.6	38.6	39.4
SEASONALLY ADJUSTED*	39.0	39.3	38.6	39.4

ECONOMIC INDICATORS (continued)

1982			PERCENTAGE CHANGE							
JUNE	JULY	AUG.	III 1980- III 1981	IV 1980- IV 1981	I 1981- I 1982	II 1981- II 1982	JUNE 1981- JUNE 1982	JULY 1981- JULY 1982	AUG. 1981- AUG. 1982	
589.4	596.4	602.1	5.7	6.4	1.5	0.4	0.7	2.7	4.1	
575.3	586.9	598.2	6.1	6.6	1.5	0.4	0.4	2.7	4.4	
529.7	536.6	541.5	6.4	6.9	1.7	-1.4	-1.9	-0.5	0.4	
521.4	528.2	535.1	6.8	7.1	1.7	-1.4	-1.9	-0.5	0.5	
59.7	59.8	60.6	-2.7	0.8	-1.0	23.6	31.2	45.2	55.4	
53.9	58.8	63.1	-2.8	0.5	-0.9	23.1	31.2	45.1	55.4	
10.1	10.0	10.1	-3.6	-7.1	-2.5	26.8	42.3	28.2	42.3	
9.4	10.0	10.6	-8.4	-5.7	-2.4	22.7	30.5	41.4	48.8	
1915.0	1959.0	1736.0	-15.8	-10.3	11.8	37.3	29.7	37.0	50.7	
1806.6	1907.5	1957.2	-16.9	-10.7	12.0	37.4	29.2	37.0	51.0	
474.5	472.0	474.8	3.2	2.9	1.5	-0.5	-0.9	-0.8	-0.6	
469.3	470.1	471.0	3.4	2.8	1.5	-0.5	-0.9	-0.7	-0.5	
N	N	N	0.9	12.6	-0.8	N	N	N	N	
N	N	N	N	N	N	N	N	N	N	
33.6	N	N	-59.1	42.5	-5.5	-0.8	-0.3	N	N	
42.0	N	N	-67.3	117.4	-6.6	-1.3	-1.8	N	N	
22.9	N	N	22.0	22.0	49.5	1.5	-14.6	N	N	
23.5	N	N	18.2	24.5	40.1	9.0	-14.7	N	N	
5788.0	5992.2	N	-2.4	-2.7	-2.3	0.3	0.4	0.9	N	
72.9	73.0	N	-1.6	0.4	0.4	-9.1	-11.1	-16.4	N	
76.8	76.0	N	-1.1	-0.1	0.4	-9.1	-11.1	-16.4	N	
3.7	3.5	N	21.4	10.3	-16.5	-71.0	-74.3	-65.0	N	
1774.0	1636.0	1369.0	35.3	16.7	13.1	23.2	43.6	24.8	-22.9	
13.6	9.6	20.9	-41.7	-34.8	-16.0	-1.9	-17.6	-27.3	29.2	
12.5	8.4	18.1	-44.3	-37.6	-16.1	-0.1	-17.6	-27.9	28.9	
33.1	32.5	39.3	-26.7	-42.2	-9.8	-11.4	-9.2	-8.6	14.9	
32.3	28.8	32.5	-29.9	-44.7	-11.8	-11.0	-8.8	-8.8	14.7	
56.3	30.1	35.9	-23.6	-1.6	7.5	50.6	82.1	-39.8	-5.1	
33.9	14.4	50.8	-8.0	451.0	15.0	9.9	315.9	-60.4	135.0	
33.0	32.7	33.2	1.4	-1.7	-1.4	-3.3	-4.3	-4.9	-4.3	
32.9	32.7	33.0	1.7	-1.5	-1.4	-3.3	-4.3	-4.9	-4.3	
39.7	39.6	38.5	-2.5	-1.9	-2.8	-2.1	-2.4	-1.0	0.5	
39.9	39.8	38.8	-2.6	-1.8	-2.8	-2.1	-2.4	-1.1	0.5	

ECONOMIC INDICATORS

	QUARTERLY AVERAGES			
	1981		1982	
	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER
6. TRANSPORT./COMMUNIC./UTIL.				
EMPLOYMENT*** (000)	28.8	29.4	28.8	28.7
7. TRADE				
WHOLESALE EMPLOYMENT*** (000)	23.0	22.8	22.9	23.1
RETAIL EMPLOYMENT*** (000)	85.4	86.8	83.9	86.1
SEASONALLY ADJUSTED*	84.0	85.8	86.2	86.3
AVERAGE WEEKLY HOURS	35.9	35.1	34.9	35.7
8. FINANCE				
NEW BANK LOANS ($MIL.)	272.7	264.7	290.3	290.7
SEASONALLY ADJUSTED*	270.9	260.8	300.1	293.1
BANK DEMAND DEPOSITS ($MIL.)	950.7	1103.2	1101.3	1117.9
BANK TIME DEPOSITS ($MIL.)	2286.6	2424.6	2502.5	2620.8
TOTAL SAVINGS DEPOSITS AT S&L'S ($MIL.)	2254.0	2284.8	2335.3	2387.6
NEW SAVINGS RECEIVED AT S&L'S ($MIL.)	193.0	192.1	198.7	170.7
9. SERVICES AND TOURISM				
SERVICE EMPLOYMENT*** (000)	96.0	91.9	93.3	95.9
SEASONALLY ADJUSTED*	92.9	93.2	95.7	95.5
LODGING EMPLOYMENT*** (000)	10.9	9.9	9.6	10.3
SEASONALLY ADJUSTED*	10.2	10.2	10.2	10.3
VISITS TO NATIONAL PARKS/MONUMENTS (000)	236.5	97.0	87.6	204.6
SEASONALLY ADJUSTED*	153.8	179.0	158.1	153.4
10. GOVERNMENT				
FEDERAL EMPLOYMENT*** (000)	37.2	35.5	35.3	36.1
STATE EMPLOYMENT*** (000)	35.4	38.3	37.6	35.7
CITY AND COUNTY EMPLOYMENT*** (000)	49.6	52.5	53.1	53.4

---

* SEASONALLY ADJUSTED FIGURES ARE ECONOMIC TIME SERIES WHICH HAVE HAD SEASONAL VARIATIONS REMOVED WITH STATISTICAL PROCESSES. THESE PURELY SEASONAL VARIATIONS INCLUDE THE EFFECTS OF: THE OPENING AND CLOSING OF SCHOOL, THE ANNUAL PATTERN OF SEASONS (ESPECIALLY APPLICABLE TO AGRICULTURAL DATA), HOLIDAYS, AND OTHER ANNUAL RECURRING EVENTS WHICH INFLUENCE ECONOMIC ACTIVITY. BY REMOVING THESE SEASONAL VARIATIONS FROM RAW ECONOMIC DATA, MONTH-TO-MONTH ANALYSIS OF TRENDS AND UNUSUAL FLUCTUATIONS IN ECONOMIC ACTIVITY IS FACILITATED.

** NUMBER OF PERSONS BY PLACE OF RESIDENCE.

*** NUMBER OF JOBS BY PLACE OF WORK.

N NOT AVAILABLE.

ECONOMIC INDICATORS (continued)

1982			PERCENTAGE CHANGE							
JUNE	JULY	AUG.	III 1980-III 1981	IV 1980-IV 1981	I 1981-I 1982	II 1981-II 1982	JUNE 1981-JUNE 1982	JULY 1981-JULY 1982	AUG. 1981-AUG. 1982
28.4	28.1	28.6	2.1	0.9	-0.5	-0.5	-0.7	-1.7	0.0
23.3	23.4	23.4	7.8	5.6	5.5	2.5	1.8	1.7	1.7
87.1	87.4	88.4	3.3	4.8	4.7	3.6	3.3	3.2	3.3
86.3	86.5	86.6	3.5	4.6	4.7	3.6	3.3	3.3	3.3
36.3	37.8	36.7	0.2	-0.8	1.0	0.6	2.0	5.3	1.7
300.2	262.5	300.9	18.6	5.9	21.5	14.1	12.9	-6.5	12.9
290.6	266.5	293.6	17.3	8.1	23.6	14.1	13.5	-3.3	8.0
1139.5	1114.8	1142.8	-3.7	6.8	19.0	13.8	9.6	20.1	17.9
2644.0	2697.6	2552.4	13.7	15.6	14.3	18.8	20.7	21.6	10.6
2404.6	2431.4	2452.8	7.8	6.1	5.9	7.5	8.1	8.9	8.5
160.1	213.6	218.4	1.1	6.8	17.9	2.8	6.7	4.6	10.4
97.9	98.7	98.8	2.2	3.1	1.1	0.3	1.1	1.5	2.0
95.1	93.7	94.9	2.5	3.3	1.1	0.3	1.2	1.4	2.0
10.6	11.1	11.2	7.9	3.1	4.3	0.3	-0.9	0.0	0.9
10.1	10.2	10.2	8.4	2.4	4.4	0.4	-0.9	0.0	1.0
251.4	305.0	268.6	10.0	24.0	-0.6	2.6	4.0	2.4	-2.1
152.4	147.0	146.6	16.8	21.2	-3.8	2.1	3.4	1.7	-1.2
36.6	36.8	36.4	1.0	-0.5	-2.7	-3.5	-3.2	-2.6	-2.7
32.9	32.1	32.8	0.7	0.7	-1.1	-2.0	-2.6	-4.2	-4.4
53.2	50.9	51.4	-0.1	0.8	0.9	1.3	2.1	4.3	4.7

SOURCES: NEW MEXICO EMPLOYMENT SECURITY DEPARTMENT: SECTIONS 1, 5, 6, 7, 9, 10; DUN AND BRADSTREET, INC: SECTION 1; USDA STATISTICAL REPORTING SERVICE: SECTION 2; OIL CONSERVATION COMMISSION: SECTION 3; NEW MEXICO TAXATION AND REVENUE DEPT.: SECTION 3; BUILDING INSPECTORS' REPORTS, 19 CITIES: SECTION 4; F. W. DODGE CO. (A DIVISION OF MCGRAW-HILL, INC.): SECTION 4; FEDERAL POWER COMMISSION: SECTION 6; BANK REPORT (33): SECTION 8; FEDERAL HOME LOAN BANK OF LITTLE ROCK: SECTION 8 U. S. DEPARTMENT OF THE INTERIOR, NATIONAL PARK SERVICE: SECTION 9.

CONSUMER PRICE INDEXES AND INDEXES OF SELECTED CATEGORIES
U.S.CITY AVERAGE
(1967=100)

	ALL URBAN CONSUMERS				REVISED SERIES, WAGE EARNERS AND CLERICAL WORKERS			
			% CHANGE				% CHANGE	
	AUG. 1982	JULY 1982	AUG. 81- AUG. 82	JULY 82- AUG. 82	AUG. 1982	JULY 1982	AUG. 81- AUG. 82	JULY 82- AUG. 82
ALL ITEMS	292.8	292.2	5.9	0.2	292.4	291.8	5.8	0.2
FOOD	287.4	288.5	3.6	-0.4	287.5	288.6	3.5	-0.4
HOUSING	320.1	319.2	6.8	0.3	320.5	319.3	7.0	0.4
APPAREL & UPKEEP	191.8	189.7	2.3	1.1	190.7	188.7	1.5	1.1
TRANSPORTATION	296.2	296.1	4.4	0.0	298.0	297.9	4.5	0.0
MEDICAL CARE	333.3	330.0	11.4	1.0	331.3	328.1	11.0	1.0
ENTERTAINMENT	237.4	236.6	6.8	0.3	233.9	233.5	6.4	0.2
OTHER GOODS & SERVICES	258.3	257.2	9.6	0.4	255.7	254.5	9.5	0.5

SOURCE: U.S. DEPARTMENT OF LABOR, NEWS.

HOURS AND EARNINGS OF PRODUCTION,
CONSTRUCTION, AND NONSUPERVISORY EMPLOYEES
NEW MEXICO
(MONTHLY AVERAGES)

	AVERAGE WEEKLY HOURS			% CHANGE	AVERAGE HOURLY EARNINGS			% CHANGE
	AUG. 1982	JULY 1982	AUG. 1981	AUG. 81- AUG. 82	AUG. 1982	JULY 1982	AUG. 1981	AUG. 81- AUG. 82
MINING	40.5	43.5	43.6	-7.1	$11.94	$11.66	$10.26	16.4
CONSTRUCTION	37.2	37.1	36.5	2.0	10.61	10.58	10.19	4.2
MANUFACTURING	38.5	39.6	38.3	0.6	6.84	6.87	6.61	3.5
DURABLE GOODS	38.4	39.7	38.7	-0.7	7.45	7.39	7.05	5.7
NONDURABLE GOODS	38.7	39.4	37.3	3.8	5.61	5.77	5.69	-1.4
COMMUNICATION & UTILITIES	39.8	41.9	42.3	-5.9	9.43	9.30	8.68	8.7
TRADE*	36.7	37.8	36.1	1.7	6.68	6.66	6.58	1.6
BANKING	39.4	37.5	38.5	2.4	4.99	4.91	4.64	7.6

P PRELIMINARY.
* EXCLUDES EATING AND DRINKING PLACES.
SOURCE: NEW MEXICO EMPLOYMENT SECURITY DEPARTMENT.

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT

	NEW MEXICO			ALBUQUERQUE SMSA*			LAS CRUCES SMSA**		
	AUG. 1982	JULY 1982	AUG. 1981	AUG. 1982	JULY 1982	AUG. 1981	AUG. 1982	JULY 1982	AUG. 1981
TOTAL CIVILIAN LABOR FORCE	602,100	596,400	578,500	220,500	218,700	213,100	37,900	37,400	34,200
EMPLOYMENT***	541,500	536,600	539,500	201,500	199,400	198,100	33,800	33,200	31,700
UNEMPLOYMENT	60,600	59,800	39,000	19,000	19,300	15,000	4,200	4,200	2,500
UNEMPLOYMENT RATE	10.1	10.0	6.7	8.6	8.8	7.0	11.0	11.1	7.3
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	474,800	472,000	477,900	190,600	189,200	190,000	30,200	29,900	28,500
MINING	27,000	27,200	32,300	N	N	N	N	N	N
CONTRACT CONSTRUCTION	32,400	32,300	34,100	12,300	12,100	12,500	1,800	1,800	1,800
MANUFACTURING	33,200	32,700	34,700	16,900	16,800	17,900	2,900	2,600	2,800
DURABLE GOODS	20,400	20,400	21,200	11,900	11,800	12,300	N	N	N
NONDURABLE GOODS	12,800	12,300	13,500	5,000	5,000	5,600	N	N	N
TRANSPORTATION&PUBLIC UTILITIES	28,600	28,100	28,600	11,500	11,300	11,800	1,200	1,200	1,100
TRADE	111,800	110,800	108,600	49,600	49,300	48,500	5,800	5,800	5,600
WHOLESALE	23,400	23,400	23,000	14,100	14,100	13,500	900	900	1,000
RETAIL	88,400	87,400	85,600	35,500	35,200	35,000	5,000	4,900	4,600
FINANCE, INSURANCE, & REAL ESTATE	22,400	22,400	21,900	11,100	11,000	11,100	1,300	1,300	1,300
SERVICES & MISCELLANEOUS	98,800	98,700	96,900	47,900	47,800	46,000	4,100	4,000	4,000
GOVERNMENT	120,600	119,800	120,800	41,300	40,900	42,200	13,200	13,300	12,100
FEDERAL	36,400	36,800	37,400	12,500	12,700	13,000	4,400	4,500	4,300
STATE	32,800	32,100	34,300	10,600	10,000	11,300	4,300	4,300	4,200
LOCAL	51,400	50,900	49,100	18,200	18,200	17,900	4,600	4,500	3,700

N NOT AVAILABLE, LESS THAN 50 JOBS.
P PRELIMINARY.
R REVISED.
* ALBUQUERQUE STANDARD METROPOLITAN STATISTICAL AREA INCLUDES BERNALILLO AND SANDOVAL COUNTIES.
** LAS CRUCES STANDARD METROPOLITAN STATISTICAL AREA INCLUDES DONA ANA COUNTY.
*** INCLUDES LABOR DISPUTES.

ALBUQUERQUE* BANKING DATA
($000S)

	AUG. 1982	AUG. 1981	% CHANGE AUG. 1981-AUG. 1982
BANKS			
NEW LOANS & DISCOUNTS	$ 161,630	$ 153,188	5.6
DEMAND DEPOSITS	632,161	507,401	24.6
TIME DEPOSITS	1,272,101	1,159,022	9.8
SAVINGS & LOAN			
SAVINGS DEPOSITS	$1,093,500	$1,020,400	7.2
NEW SAVINGS RECEIVED	86,347	93,100	-7.2

P PRELIMINARY
* BERNALILLO COUNTY FOR BANK INFORMATION, ALBUQUERQUE SMSA FOR SAVINGS AND LOAN DATA.
SOURCE: FIVE REPORTING BANKS AND FEDERAL HOME LOAN BANK OF LITTLE ROCK.

NUMBER OF BUILDING PERMITS--SELECTED CITIES

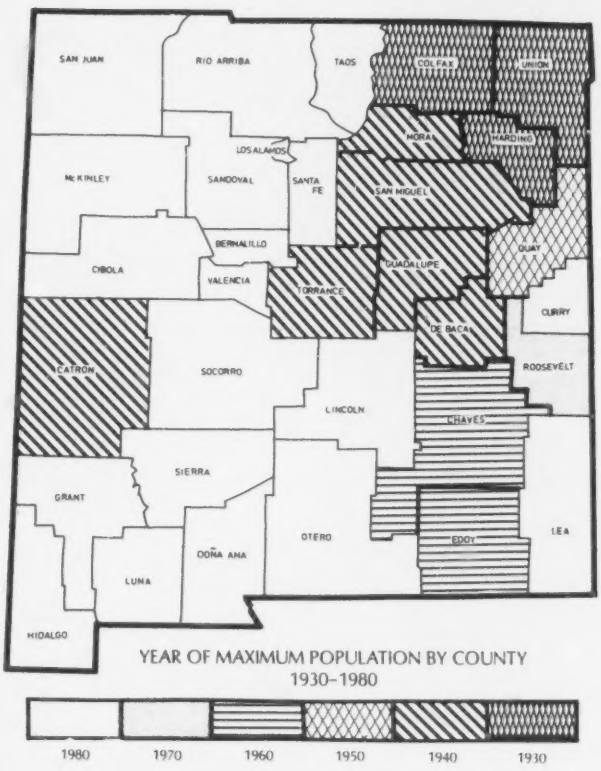
	RESIDENTIAL				NONRESIDENTIAL			
			CUMULATIVE TOTAL THROUGH AUG.				CUMULATIVE TOTAL THROUGH AUG.	
	AUG. 1982	AUG. 1981	1982	1981	AUG. 1982	AUG. 1981	1982	1981
ALAMOGORDO	12	9	53	64	6	2	37	9
ALBUQUERQUE	161	138	630	880	18	7	98	93
ARTESIA	5	13	80	52	8	0	63	25
CARLSBAD	14	7	139	43	0	0	18	26
CLAYTON	0	2	1	19	0	0	0	4
CLOVIS	12	0	17	22	6	0	20	13
DEMING	0	4	21	29	0	1	5	5
FARMINGTON	14	11	72	217	23	7	67	33
GALLUP	9	10	22	36	3	8	20	39
GRANTS	0	5	0	25	1	0	1	6
HOBBS	23	17	161	143	6	2	31	34
LAS CRUCES	25	9	102	112	4	3	74	71
LAS VEGAS	2	1	11	12	2	1	7	3
LORDSBURG	0	1	1	2	0	0	0	3
PORTALES	0	1	10	5	0	2	3	7
RATON	0	2	3	10	1	1	1	2
ROSWELL	12	10	243	60	11	4	50	11
SANTA FE	52	25	276	330	9	3	42	26
TUCUMCARI	2	0	7	14	0	0	11	2
TOTAL	343	265	1,849	2,075	98	41	548	412

SOURCE: INDIVIDUAL REPORTS BY CITY BUILDING INSPECTORS.

VALUE OF BUILDING PERMITS--SELECTED CITIES

	RESIDENTIAL				NONRESIDENTIAL			
			CUMULATIVE TOTAL THROUGH AUGUST				CUMULATIVE TOTAL THROUGH AUGUST	
	AUGUST 1982	AUGUST 1981	1982	1981	AUGUST 1982	AUGUST 1981	1982	1981
ALAMOGORDO	$ 607,522	$ 413,485	$2,245,359	$2,441,292	$ 567,439	$ 101,389	$2,004,557	$2,280,824
ALBUQUERQUE	7,990,043	7,206,662	40,066,835	50,937,861	12,527,000	8,963,201	65,148,263	60,458,763
ARTESIA	245,000	369,500	3,185,500	2,067,000	37,400	0	1,594,350	1,497,200
CARLSBAD	471,200	404,014	7,080,420	2,269,965	0	0	3,953,390	2,011,105
CLAYTON	0	80,000	12,000	721,297	0	0	0	60,800
CLOVIS	1,099,471	0	1,446,075	1,214,910	1,238,375	0	3,122,212	1,019,968
DEMING	0	108,700	709,200	902,800	0	15,000	152,500	191,200
FARMINGTON	1,420,330	1,451,270	3,710,183	12,443,018	3,908,275	529,815	11,392,041	4,793,724
GALLUP	328,966	644,120	931,671	2,714,421	289,800	384,097	2,418,083	2,189,564
GRANTS	0	180,308	0	938,067	27,844	0	27,844	1,831,500
HOBBS	1,655,000	1,141,500	15,450,895	10,100,300	1,126,200	170,000	3,646,602	5,437,057
LAS CRUCES	1,111,981	631,000	5,210,172	6,018,800	550,000	1,579,400	10,133,737	6,192,677
LAS VEGAS	71,922	27,680	350,296	350,500	41,000	95,000	1,410,091	389,000
LORDSBURG	0	5,000	4,272	94,825	0	0	0	536,945
PORTALES	0	365,000	127,729	510,000	0	3,000	735,850	39,000
RATON	0	72,700	85,000	352,200	300,000	73,000	300,000	273,000
ROSWELL	672,500	494,000	10,049,359	3,360,722	1,050,750	143,000	3,135,221	994,800
SANTA FE	5,140,665	2,543,000	21,569,052	21,431,615	1,501,000	412,810	15,792,872	4,280,610
TUCUMCARI	39,651	0	223,651	368,619	0	0	478,240	4,513
TOTAL	20,854,254	16,137,939	112,457,669	119,238,212	23,165,083	12,469,712	125,446,853	94,482,250

SOURCE: INDIVIDUAL REPORTS BY BUILDING INSPECTORS.



1980 Census Facts

COUNTY POPULATION IN NEW MEXICO

Did you know that . . .

- *New Mexico's population increased* 208 percent between 1930 and 1980 and *28.1 percent between 1970 and 1980.*
- In spite of the state's rapid and steady growth, over *one-third (or 13) of New Mexico's 33 counties had their highest population in previous census years.*
- Twelve of these 13 counties are on the east side of the state. *Lea* and *Curry* are the *only eastern counties that have shown steady population growth.*
- *Almost all of the 13 counties have economies based more heavily on farming and ranching* than other areas of the state.

NOTE: Please contact Robyn Mewshaw at the Data Bank (505/277-6626) if you have questions concerning the census.

Bureau of Business and Economic Research
Institute for Applied Research Services
The University of New Mexico
Albuquerque, NM 87131
(505) 277-2216

NON-PROFIT ORGANIZATION
U.S. POSTAGE
PAID
ALBUQUERQUE, N.M.
PERMIT NO. 962

ED KIANKA
CONGRESSIONAL INFO. SER.
SRI ACQUISITIONS
4520 EAST-WEST HIGHWAY
SUITE 800
BETHESDA, MD 20814

Subscription Price $12.00 per year.
Single Copies $1.50

12/23/82 U7980-1A

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 3 No. 10 November 1982

Current Economic Developments in New Mexico

The most recent set of statistics designed to measure national economic activity continues to indicate that the long-awaited economic recovery has yet to get underway. As reported by the Commerce Department, real GNP figures were revised to show only a 0.8 percent annual increase in the third quarter of this year. Meanwhile, the nation's unemployment rose to 10.4 percent in October, the highest rate since 1941. Continued weakness was also evident by the 0.6 percent decline in industrial production in September. Consumer reluctance to increase expenditures despite waning inflation and recent federal income tax cuts is primarily responsible for the delay in the economic upturn. On the positive side, the recent easing of monetary policy by the Federal Reserve Board, largely in response to a very weak economy, has brought about a significant decline in interest rates in recent months. This in turn should stimulate consumer spending in the coming months which most analysts believe will lead the way in producing a modest recovery in 1983.

In New Mexico, the effect of the national recession continues to be reflected in recent state economic data. However, despite exhibiting generally sluggish activity, the state economy did register a slight improvement in September relative to the previous month's performance. Total employment increased on an annual basis by a scant, seasonally adjusted (SA) 0.7 percent in September, but this compares favorably to the annual 0.3 percent (SA) gain recorded in August and the 0.5 percent (SA) decline registered in July. For the entire third quarter of 1982, total employment increased by only 0.1 percent compared to the same quarter in 1981. Consequently, the unemployment rate in New Mexico declined from 10.5 percent (SA) in August to 10.3 percent (SA) in September. Still, primarily as the result of substantial layoffs in the state's mining industry, continued weakness in the construction and manufacturing sectors, and reduced employment in the large public sector, the jobless rate in September stood at a level which represented a 44.1 percent increase compared to the September 1981 rate.

Depressed activity in the mining sector is illustrated by the most recent production statistics. The current worldwide excess of petroleum supplies has resulted in a sharp slowdown in petroleum production in New Mexico which declined on a yearly basis by 0.6 percent in August. Natural gas production has also slowed in recent months in response to a reduction in demand from out-of-state markets. The largest decline in production in recent months has occurred with respect to the copper industry. Depressed conditions in the national auto and housing industries have dramatically reduced the demand for New Mexico copper which is indicated by the 76.1 percent annual decline in August production.

With regard to other sectors of the state economy, construction activity in New Mexico has been severely depressed during the past two years by historically high interest rate levels. However, more positive developments have taken place in recent months. Residential building permits increased at an annual rate of 45.1 percent (SA) in September, primarily benefiting from the recent decline in mortgage interest rates. Also, nonresidential construction contracts recorded a sharp annual increase of 95.5 percent in September, but statistics for the entire third quarter still show a 4.8 percent annual decline in this category. Weak economic conditions at the national level continue to affect the state's manufacturing sector adversely. The number of manufacturing jobs fell on a yearly basis by 1.7 percent (SA) in September, which subsequently contributed to the 3.7 percent (SA) annual decline recorded in the third quarter of this year. In the trade sector, modest growth continues to be registered. Retail and wholesale trade employment increased at annual rates in September of 3.0 (SA) and 2.2 percent, respectively. Despite reduced federal funding for social service programs, employment in the services sector has continued to increase at modest annual rates during the past three months. Both the federal and state government workforces have continued to decline in 1982, while local government employment has become progressively stronger throughout the year.

In summary, the continuing national economic recession has dampened economic activity in New Mexico in recent months, particularly with respect to the state's mining, construction and manufacturing industries. In contrast, the trade and services sectors have continued to experience generally modest growth, benefiting from stronger real disposable income growth as the result of easing inflationary pressures and recent federal and state income tax cuts. Statewide economic activity in the coming months will most likely resemble the pattern envisioned at the national level by most analysts. This scenario calls for very modest growth through the first half of 1983, with stronger activity expected in the beginning of the latter half of next year as the mid-1983 federal tax cut and a projected modest decline in interest rates stimulate economic growth at both the national and state levels.

Leo W. Carbajal

Bureau of Business and Economic Research, Institute for Applied Research Services
The University of New Mexico, Albuquerque, NM 87131
(505) 277-2216

ECONOMIC INDICATORS

	QUARTERLY AVERAGES			
	1981 FOURTH QUARTER	1982 FIRST QUARTER	1982 SECOND QUARTER	1982 THIRD QUARTER
1. GENERAL				
CIVILIAN LABOR FORCE** (000)	578.4	571.3	580.7	600.6
SEASONALLY ADJUSTED*	576.8	583.6	577.1	594.4
TOTAL EMPLOYMENT** (000)	536.9	527.5	528.4	540.7
SEASONALLY ADJUSTED*	534.6	541.1	525.3	533.2
UNEMPLOYMENT** (000)	41.5	43.8	52.3	59.9
SEASONALLY ADJUSTED*	42.2	42.6	51.8	61.1
UNEMPLOYMENT RATE (%)	7.2	7.7	9.0	10.0
SEASONALLY ADJUSTED*	7.3	7.3	9.0	10.3
WEEKLY NEW UNEMPLOYMENT INSURANCE CLAIMS	1437.7	1860.0	1779.3	1801.3
SEASONALLY ADJUSTED*	1408.9	1707.4	1868.4	1938.5
NONAGRICULTURAL WAGE/SALARY EMPLOYMENT*** (000)	475.1	471.6	475.0	473.9
SEASONALLY ADJUSTED*	473.0	479.9	472.8	470.4
NEW BUSINESS INCORPORATIONS	224.0	197.3	N	N
BUSINESS FAILURE LIABILITIES ($000)	N	N	N	N
2. AGRICULTURAL RECEIPTS				
FROM LIVESTOCK AND PRODUCTS ($MIL.)	61.4	40.1	44.4	N
SEASONALLY ADJUSTED*	60.2	48.7	51.1	N
FROM CROPS ($MIL.)	47.6	17.1	17.3	N
SEASONALLY ADJUSTED*	25.7	26.0	27.2	N
3. MINING PRODUCTION				
PETROLEUM (000 BBLS.)	6026.5	5857.1	5927.6	N
NATURAL GAS (BIL. CU. FT.)	96.1	97.2	80.2	N
SEASONALLY ADJUSTED*	93.0	95.6	81.5	N
COPPER ORE (000 TONS)	14.2	11.4	4.3	N
COAL PRODUCTION (000 SHORT TONS)	1397.0	1534.3	1651.0	1504.7
4. CONSTRUCTION				
RESIDENTIAL BUILDING PERMITS ($MIL.)	9.5	12.3	15.1	16.0
SEASONALLY ADJUSTED*	10.6	12.8	15.0	14.2
RESIDENTIAL CONSTRUCTION CONTRACTS ($MIL.)	22.3	26.9	29.4	36.8
SEASONALLY ADJUSTED*	23.8	28.8	29.5	32.3
NONRESIDENTIAL CONSTRUCTION CONTRACTS ($MIL.)	28.3	39.5	54.6	33.0
NONBUILDING CONSTRUCTION CONTRACTS ($MIL.)	134.7	24.9	20.0	31.0
5. MANUFACTURING				
EMPLOYMENT*** (000)	33.4	33.2	33.0	33.2
SEASONALLY ADJUSTED*	33.1	33.6	33.1	33.0
AVERAGE WEEKLY HOURS	39.6	38.6	39.4	38.9
SEASONALLY ADJUSTED*	39.3	38.6	39.4	39.2

ECONOMIC INDICATORS (continued)

1982			PERCENTAGE CHANGE						
JULY	AUG.	SEPT.	IV 1980- IV 1981	I 1981- I 1982	II 1981- II 1982	III 1981- III 1982	JULY 1981- JULY 1982	AUG. 1981- AUG. 1982	SEPT. 1981- SEPT. 1982
596.4	600.7	604.8	6.4	1.5	0.4	3.5	2.7	3.8	4.0
586.9	596.8	599.4	6.6	1.5	0.4	3.7	2.7	4.1	4.2
536.6	540.4	545.1	6.9	1.7	-1.4	0.1	-0.5	0.2	0.6
528.2	534.0	537.6	7.1	1.7	-1.4	0.1	-0.5	0.3	0.7
59.8	60.3	59.7	0.8	-1.0	23.6	49.9	45.2	54.6	50.4
58.8	62.8	61.9	0.5	-0.9	23.1	50.0	45.1	54.6	50.3
10.0	10.0	9.9	-5.3	-2.5	22.8	45.1	40.9	49.3	45.6
10.0	10.5	10.3	-5.7	-2.4	22.7	44.7	41.4	48.4	44.1
1959.0	1736.0	1709.0	-10.3	11.8	37.3	36.8	37.0	50.7	24.8
1907.5	1957.2	1950.9	-10.7	12.0	37.4	36.7	37.0	51.0	24.6
472.0	473.5	476.1	2.8	0.8	-0.5	-0.8	-0.8	-0.9	-0.7
470.1	469.7	471.4	2.7	0.8	-0.5	-0.7	-0.7	-0.8	-0.7
N	N	N	12.6	-0.8	N	N	N	N	N
N	N	N	N	N	N	N	N	N	N
30.1	N	N	42.5	-5.5	-0.8	N	5.9	N	N
42.0	N	N	117.4	-6.6	-1.3	N	4.1	N	N
43.0	N	N	22.0	49.5	6.0	N	34.3	N	N
38.2	N	N	24.5	40.1	12.1	N	33.3	N	N
5992.2	5973.7	N	-2.7	-2.3	0.3	N	0.9	-0.6	N
73.0	76.9	N	0.4	0.4	-9.1	N	-16.4	-14.8	N
76.0	77.9	N	-0.1	0.4	-9.1	N	-16.4	-14.8	N
3.5	3.7	N	10.3	-16.5	-71.0	N	-65.0	-76.1	N
1636.0	1369.0	1509.0	16.7	13.1	23.2	4.8	24.8	-22.9	23.4
9.6	20.9	17.7	-34.8	-16.0	-1.9	16.0	-27.3	29.2	45.3
8.4	18.1	16.1	-37.6	-16.1	-0.1	15.8	-27.9	28.9	45.1
32.5	38.0	39.7	-42.2	-9.8	-15.7	12.9	-3.1	11.0	33.3
28.8	31.5	36.4	-44.7	-11.8	-15.1	12.8	-3.3	10.7	32.5
30.1	36.8	32.2	-1.6	7.5	50.6	-4.8	-39.8	-2.3	95.5
12.4	50.6	29.9	451.0	15.0	9.9	-6.3	-65.9	136.9	-27.7
32.7	33.2	33.6	-1.7	-1.4	-3.3	-3.6	-4.9	-4.3	-1.7
32.7	33.0	33.1	-1.5	-1.4	-3.3	-3.7	-4.9	-4.3	-1.7
39.6	38.8	38.2	-1.9	-2.8	-2.1	0.5	-1.0	1.3	1.3
39.8	39.1	38.6	-1.8	-2.8	-2.1	0.5	-1.1	1.3	1.3

ECONOMIC INDICATORS

	QUARTERLY AVERAGES			
	1981 FOURTH QUARTER	1982 FIRST QUARTER	1982 SECOND QUARTER	1982 THIRD QUARTER
6. TRANSPORT./COMMUNIC./UTIL.				
EMPLOYMENT*** 000)	29.4	28.8	28.7	28.6
7. TRADE				
WHOLESALE EMPLOYMENT*** (000)	22.8	22.9	23.1	23.4
RETAIL EMPLOYMENT*** (000)	86.8	83.9	86.1	87.9
SEASONALLY ADJUSTED*	85.8	86.2	86.3	86.6
AVERAGE WEEKLY HOURS	35.1	34.9	35.7	36.9
8. FINANCE				
NEW BANK LOANS ($MIL.)	264.7	290.3	289.9	288.0
SEASONALLY ADJUSTED*	260.8	300.1	292.3	286.8
BANK DEMAND DEPOSITS ($MIL.)	1103.2	1101.3	1117.7	1132.2
BANK TIME DEPOSITS ($MIL.)	2424.6	2502.5	2620.8	2655.2
TOTAL SAVINGS DEPOSITS AT S&L'S ($MIL.)	2282.1	2335.3	2387.6	2453.7
NEW SAVINGS RECEIVED AT S&L'S ($MIL.)	187.0	198.7	170.7	214.3
9. SERVICES AND TOURISM				
SERVICE EMPLOYMENT*** (000)	91.9	93.3	95.9	97.6
SEASONALLY ADJUSTED*	93.2	95.7	95.5	94.4
LODGING EMPLOYMENT*** (000)	9.9	9.6	10.3	11.1
SEASONALLY ADJUSTED*	10.2	10.2	10.3	10.3
VISITS TO NATIONAL PARKS/MONUMENTS (000)	97.0	87.6	204.6	240.6
SEASONALLY ADJUSTED*	179.0	158.1	153.4	158.3
10. GOVERNMENT				
FEDERAL EMPLOYMENT*** (000)	35.5	35.3	36.1	36.3
STATE EMPLOYMENT*** (000)	38.3	37.6	35.7	33.9
CITY AND COUNTY EMPLOYMENT*** (000)	52.5	53.1	53.4	51.6

---

* SEASONALLY ADJUSTED FIGURES ARE ECONOMIC TIME SERIES WHICH HAVE HAD SEASONAL VARIATIONS REMOVED WITH STATISTICAL PROCESSES. THESE PURELY SEASONAL VARIATIONS INCLUDE THE EFFECTS OF: THE OPENING AND CLOSING OF SCHOOL, THE ANNUAL PATTERN OF SEASONS (ESPECIALLY APPLICABLE TO AGRICULTURAL DATA), HOLIDAYS, AND OTHER ANNUAL RECURRING EVENTS WHICH INFLUENCE ECONOMIC ACTIVITY. BY REMOVING THESE SEASONAL VARIATIONS FROM RAW ECONOMIC DATA, MONTH-TO-MONTH ANALYSIS OF TRENDS AND UNUSUAL FLUCTUATIONS IN ECONOMIC ACTIVITY IS FACILITATED.

** NUMBER OF PERSONS BY PLACE OF RESIDENCE.

*** NUMBER OF JOBS BY PLACE OF WORK.

N NOT AVAILABLE.